

Call for Expression of Interest
JER-009/8-07

Complaint EIF/F/2017/03

Complaints Mechanism - Complaints Mechanism - Complaints Mechanism - Complaints Mechanism

CONCLUSIONS REPORT

25 June 2018

Prepared by

Complaints Mechanism

External Distribution

Complainant

Internal Distribution

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EIF services concerned

The EIB Complaints Mechanism

The EIB Complaints Mechanism is designed to provide the public with a tool enabling alternative and pre-emptive resolution of disputes in cases in which members of the public feel that the EIB Group has done something wrong, i.e. if they consider that the EIB Group has committed an act of maladministration. When exercising the right to lodge a complaint against the EIB Group, any member of the public has access to a two-tier procedure, one internal – the Complaints Mechanism Division (EIB-CM) - and one external – the European Ombudsman (EO).

Complainants who are not satisfied with the EIB-CM's reply have the opportunity to submit a confirmatory complaint within 15 days of the receipt of that reply. In addition, complainants who are not satisfied with the outcome of the procedure before the EIB-CM and who do not wish to make a confirmatory complaint have the right to lodge a complaint of maladministration against the EIB Group with the European Ombudsman.

The EO was created by the Maastricht Treaty of 1992 as an EU institution to which any EU citizen or entity may appeal to investigate any EU institution or body on the grounds of maladministration. Maladministration means poor or failed administration. This occurs when the EIB Group fails to act in accordance with the applicable legislation and/or established policies, standards and procedures, fails to respect the principles of good administration or violates human rights. Some examples, as cited by the European Ombudsman, are: administrative irregularities, unfairness, discrimination, abuse of power, failure to reply, refusal to provide information, unnecessary delay. Maladministration may also relate to the environmental or social impacts of the EIB Group's activities and to project cycle-related policies and other applicable policies of the EIB Group.

The EIB Complaints Mechanism is intended not only to address non-compliance by the EIB Group with its policies and procedures but to endeavour to solve the problem(s) raised by complainants such as those regarding the implementation of projects.

For further and more detailed information regarding the EIB Complaints Mechanism please visit our website: <http://www.eib.org/about/accountability/complaints/index.htm>

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Executive Summary

THE COMPLAINT

On 5 June 2017, ----- acting on behalf of -----, (hereinafter “the complainant”) lodged a complaint with the EIB’s Group Complaints Mechanism (EIB-CM) concerning a Call for Expression of Interest No. JER-009/8 ¹(hereinafter the Call) to select Financial Intermediaries. The selected financial intermediaries will receive resources from the reflow of the JEREMIE² Holding Fund for Bulgaria to implement a financial instrument (Early stage fund with an acceleration compartment). The selection is managed by the European Investment Fund (EIF). The complainant stated that following the receipt of the EIF rejection letter of 26 April 2017, on 5 May 2017, the complainant requested clarifications regarding the reasons for the rejection of ----- application. On 22 May 2017, the EIF sent a letter to the complainant presetting the main reasons for the rejection.

The complainant alleged unfair evaluation of ----- application and considered that the evaluation procedure was not performed in accordance with the principles of transparency, equal treatment and non-discrimination. The complainant challenged the EIF evaluation and requested further details regarding the reasons for the rejection of ----- application and regarding the evaluation of the other applicants.

THE INQUIRY OF THE EIB-CM

In light of the complainant’s concerns, the EIB-CM has reviewed potential maladministration by the EIF in that it failed to exercise its due diligence duty in relation to the evaluation of the Call in question. The EIB-CM reviewed the complaint and supporting correspondence between the Complainant and the EIF, the applicable regulatory framework, the Call, the evaluation performed by the EIF and the evaluation process. The EIB-CM liaised with the EIF’s operational services in order to obtain further information and clarifications.

CONCLUSIONS AND RECOMMENDATIONS

The assessment carried out showed no evidence to substantiate that EIF failed to take appropriate care in ensuring that intermediaries are selected in an open, transparent, proportionate, non-discriminatory and objective manner. The EIB-CM takes the view that the gathered information does not reveal irregularities in the evaluation process of the complainant’s application. The inquiry indicates that the selection procedure has been carried out in line with the process established by the published Call and the EIF’s standard procedures. The complainant’s company scored relatively lower than the shortlisted companies following the first screening of the quality assessment at the pre-selection stage and therefore has been part of the group of applicants who did not qualify for the second phase of the screening.

With regard to the Complainant’s request to obtain further details regarding the evaluation, the attributed score and the reasons for the rejection of the application of ----- own application, the EIB-CM deemed it appropriate to provide the complainant with further details and information in this respect. Therefore, this report provides the Complainant with this information in sections 5.2.2.2 to 5.2.2.4.

As a result of the reported findings and with a view to maintaining a good administration in line with Article 41 of the EU Charter of Fundamental Rights and within the spirit of article 18 of the European Code of Good Administrative Behaviour (mentioned in 3.2 of this report), the EIB-CM issues the following suggestions: The EIF should consider providing more detailed and specific explanations to future applicants who expressly request clarification on the reasons that their applications are not retained for further consideration. In light of the above considerations, the EIB-CM proceeds to the closing of the file.

¹ http://www.eif.org/what_we_do/resources/jeremie/calls-for-expression-of-interest/2016/2016_call_EOI_JEREMIE_Bulgaria_JER-009_8.htm

² Joint European Resources for Micro to Medium Enterprises

CONCLUSIONS REPORT

Complainant: -----

Subject of complaint: Allegedly unfair and non-transparent evaluation of Expression of Interest

1. THE COMPLAINT

- 1.1 On 5 June 2017, ----- acting on behalf of -----, (hereinafter “the complainant”) lodged a complaint with the EIB’s Group Complaints Mechanism (EIB-CM) concerning a Call for Expression of Interest No. JER-009/8 ³(hereinafter the Call) to select Financial Intermediaries. The selected financial intermediaries will receive resources from the reflow of the JEREMIE⁴ Holding Fund for Bulgaria to implement a financial instrument (Early stage fund with an acceleration compartment). The selection is managed by the European Investment Fund (EIF).
- 1.2 The complainant alleged unfair evaluation of ----- application and considered that the evaluation procedure was not performed in accordance with the principles of transparency, equal treatment and non-discrimination.
- 1.3 The complainant stated that following the receipt of the EIF rejection letter of 26 April 2017, on 5 May 2017, the complainant requested clarifications regarding the reasons for the rejection of ----- application. On 22 May 2017, the EIF sent a letter to the complainant presetting the main reasons for the rejection.
- 1.4 In ----- complaint, the complainant challenged the EIF evaluation and presented ----- arguments against the rejection reasons that had been communicated to the complainant by the EIF letter of 22 May 2017.
- 1.5 With regard to the first reason “*the proposed team, time commitment and overall capabilities were deemed less suitable to the proposed fund size and investment strategy.*” the complainant disagreed and stated that the team is competent to professionally carry out the whole range of activities.
- 1.6 With regard to the time and commitment, the complainant explained that although some members of the proposed team are not resident in Bulgaria, they would commit to stay in Bulgaria to fulfill their responsibilities. In addition, the complainant stated that “*our Management Team’s overall capabilities are the result of more than 100 years of experience in this particular industry, as well as in VC participation and partnership, startups establishment and management, mentoring, marketing, including Exits and IPOs and establishment and managing accelerators.*” Therefore, the complainant considered that the team is qualified and should be selected.

³ http://www.eif.org/what_we_do/resources/jeremie/calls-for-expression-of-interest/2016/2016_call_EOI_JEREMIE_Bulgaria_JER-009_8.htm

⁴ Joint European Resources for Micro to Medium Enterprises

- 1.7 With regard to the second reason for rejection *“The investment strategy and involvement of the team in the acceleration compartment were considered not to be fully in line with the two-compartment structure of the instrument.”*, the complainant questioned the EIF’s understanding of the two-compartment structure of the financial instrument named “Early Stage Fund(s) with an Acceleration Compartment”, arguing that “this instrument is wrongly considered a two-compartment Structure, rather it is a single Fund with two scopes of investments: early Stage companies and Accelerator Compartment.”
- 1.8 With regard to the third reason *“the corporate governance and the decision-making process, including the proposal of offering a golden share to EIF, were not considered in line with industry practices and the expectation for independent management of the instrument.”*, the complainant alleged that the corporate governance and the decision making process are in line with the industry practices. Moreover, the complainant argued that the “Golden Share” is a normal practice when public resources are involved, this share being offered *“on the Fund Level, that has nothing to do with the independent management, or any other management duties or responsibilities at all.”*
- 1.9 In addition, the complainant alleged that the first reason and the second reason for rejecting were solely related to the Quality Assessment Criteria no. 2.1.2 “Evaluation of the Fund Manager team profile, stability and ability to implement the Financial Instrument” and therefore the complainant took the view that ----- score should be 90 points out of 100.
- 1.10 Furthermore, the complainant stated that --- is not able to determine if ---- application was correctly rejected due to the absence of the information related to the selection and ratings of the other applicants.
- 1.11 On 20 June 2017, the EIB-CM acknowledged the receipt of the complaint and informed the complainant that a review of the case had been launched, as well as of the date by which ---- might expect an official reply from the EIB. On 18 August 2017, the EIB-CM informed the Complainant that it was necessary to extend the timeframe for handling the complaint in order to form an opinion and provided a new timeframe for the completion of the inquiry. During the complaint, handling the complainant submitted further correspondence in which ----- requested to receive the evaluation details of the other applicants. The EIB-CM replied to the complainant’s further correspondence, replied to the complainant’s questions and maintained ----- informed to the extent possible. Information regarding the further correspondence is reported in 2.2 of this report.

2. BACKGROUND INFORMATION

2.1 The Call for Expression of Interest

The JEREMIE initiative was a framework providing a series of coherent actions to promote increased access to finance for micro, small and medium-sized enterprises. The call concerns the selection of Financial Intermediaries (as defined below) by the EIF, in order to implement Financial Instruments funded from the related reflows from JEREMIE portfolio operations.

- 2.1.1 As part of the Operational Programme “Development of the Competitiveness of the Bulgarian Economy 2007-2013” (OP Competitiveness) [1], the Government of Bulgaria agreed to dedicate resources to the implementation of the JEREMIE initiative with EIF, in accordance with Article 44 of the Council Regulation (EC) No. 1083/2006[2] and in accordance with the provisions of the Funding Agreement (hereinafter, “Funding Agreement”) and Framework Agreement (Framework Agreement) entered into on 27 May 2009, and subsequently amended on 29 April 2010, on 06/06/2012 and on 24/10/2014, between the Government of the Republic of Bulgaria (GoB) and EIF, and the Holding

Fund Agreement (HF Agreement) entered into on 23 July 2010 between the SPV and EIF, and subsequently amended on 11/07/2011 and on 21st December 2015 (the Framework Agreement, the Funding Agreement and the HF Agreement), hereinafter, collectively the Agreements.

- 2.1.2 The EIF selects bodies or firms, whether public or private, which are interested in receiving resources out of the JHF for implementation of Operations (Financial Instruments). The first Financial Instrument under the JHF Reflows Investment Strategy is the implementation of an Early Stage Fund with an Acceleration Compartment. The Financial Intermediaries should express their interest by completing and submitting an Expression of Interest, a template and relevant documents are published on the EIF website.

2.2 Further correspondence with the EIB-CM

- 2.2.1 Following the submission of the EIB-CM letter of 18 August 2017 extending the timeframe for the complaint's handling, on 20 August 2017, the complainant expressed ----- disappointment with the extension of the deadline. On 21 August 2017, the EIB-CM acknowledged receipt of the complainant's email and took note of the complainant's concerns. In its reply, the EIB-CM explained that it gives the same importance to all complaints that are received and registered.
- 2.2.2 On 10 January 2018 the EIB-CM informed the complainant that the inquiry is still ongoing and of the necessity to extend the deadline for the handling of the complaint. On 15 January 2018, the complainant observed that the EIB-CM had not been able to provide ----- yet with a reply and stated "It seems that you are not within the limits of the response schedule mentioned on the "complaints procedure". The complainant also stated that ----- expects that the EIF will not finalise the selection process before the closure of the complaint. On 10 April 2018, the complainant reiterated ----- concerns. On 19 April 2018, the EIB-CM acknowledged receipt of the complainant's emails. The EIB-CM informed the complainant that ----- request for further details regarding the evaluation of the other applicants is taken into consideration within the ongoing review. In addition, the EIB-CM clarified that the fact that a complaint is lodged with the EIB-CM does not lead to an automatic suspension of ongoing processes. The EIB-CM apologized for the delay and stated that a Conclusions Report would be provided as soon as possible.

3 APPLICABLE REGULATORY FRAMEWORK

3.1 The Scope of the EIB-CM

- 3.1.1 The EIB Complaints Mechanism applies to complaints of maladministration lodged against the EIB Group (Article 4.1 of Section II "Principles" of the EIB Complaints Mechanism Principles, Terms of Reference and Rules of Procedure) and those complaints may concern any alleged maladministration of the EIB Group in its actions and/or omissions (Article 4.1 of Section IV "Rules of Procedure" of the EIB Complaints Mechanism Principles, Terms of Reference and Rules of Procedure).

3.2 EU Charter of Fundamental Rights

- 3.2.1 Article 41 of the EU charter of Fundamental Rights "Right to good administration" states:

"Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions and bodies of the Union.

This right includes:

- *the right of every person to have access to his or her file, while respecting the legitimate interests of confidentiality and of professional and business secrecy;*
- *the obligation of the administration to give reasons for its decisions...''*

3.3 European Code of Good Administrative Behavior

3.3.1 Article 18 of the European Code of Good administrative Behavior emphasizes the duty to state the grounds of decision by European institutions and bodies as follows:

'' 1. Every decision of the institution, which may adversely affect the rights, or interests of a private person shall state the grounds on which it is based by indicating clearly the relevant facts and the legal basis of the decision.

2. The official shall avoid making decisions which are based on brief or vague grounds, or which do not contain an individual reasoning.

3. If it is not possible, because of the large number of persons concerned by similar decisions, to communicate in detail the grounds of the decision and where standard replies are therefore sent, the official shall subsequently provide the citizen who expressly requests it with an individual reasoning''

3.4 The Selection Process

3.4.1 The Selection Process is described in the Call for expression of interest as follows: *When selecting Financial Intermediaries, EIF is committed to respect fundamental principles, such as: i) equal treatment ii) non-discrimination iii) confidentiality and iv) transparency. The Expressions of Interest will be examined by the EIF on a comparative basis, using professional analysis and judgment, taking into account the Selection Criteria. The EIF will reject those Expressions of Interest which do not comply with the Eligibility Criteria.*

Applicants who are not excluded according to the Eligibility Criteria will go through the EIF selection process based on the Quality Assessment Criteria. The further selection based on the Quality Assessment Criteria, and the due diligence process if any, follows the standard procedures and guidelines applied by EIF to its business. The evaluation of proposals at this phase will be conducted under competitive terms and it is envisaged to select a maximum of two Applicants overall.

3.4.2 The stages of the Selection Process can be summarized as follows:

- Application stage – applications are submitted by private or public bodies or firms who are interested in receiving resources as Financial Intermediaries. The Expression of Interest shall be submitted both by (i) e-mail and (ii) registered mail or professional courier service addressed to the EIF.
- Pre-selection stage which is composed by:
 - Eligibility assessment stage – The EIF eligibility assessment panel will check the Expressions of Interest received and will verify their compliance with the provisions of the Call and with the Eligibility Criteria listed in the Call. Non-compliant applications are rejected by the EIF and notified by letter.
 - Quality assessment stage - EIF will perform the quality assessment of the Expressions of Interest for those applicants passing the eligibility check based on the Quality Assessment Criteria stipulated in the call. The assessment of Expressions of Interest at this stage will be conducted under competitive terms.

- Due diligence stage - Top-ranked pre-selected applicants will be followed up with the due diligence process, carried out in accordance with the EIF's internal rules and procedures.
- Selection stage - Based on the pre-selection outcome and the outcome obtained following the due diligence, the EIF will decide either: 1) To select the applicant, by way of EIF Board approval; 2) To put the applicant into a Reserve List; 3) To reject the proposal. Subject to satisfactory outcome of the due diligence, EIF may propose to its Board and obtain approval to enter into an Operational Agreement with the selected Financial Intermediary. EIF has no obligation to enter into an Operational Agreement with the selected applicant. Subject to (i) successful commercial and legal negotiations (ii) the EIF internal approval of the transaction.

3.5 The Eligibility Criteria

3.5.1 Annex 2 Part II of the Call, contains the Eligibility Criteria by which the applications must comply with prior to the screening against the Quality Assessment Criteria. Only eligible applicants can be shortlisted for the quality assessment stage. Non-eligible applicants receive a rejection letter.

1.	ELIGIBILITY CRITERIA	System of appraisal
		Yes/ No
A.	Receivability	
1.1.	The Expression of Interest is submitted within the Deadline;	
1.2.	The Expression of Interest is submitted both by registered mail and e-mail;	
1.3.	The Expression of Interest is completed and submitted in English;	
1.4.	The Expression of Interest is duly signed;	
1.5.	The Expression of Interest is prepared in accordance with Annex 1 to the Call for Expression of Interest. All necessary supporting documents are provided.	
B.	Eligibility	
1.6.	Applicant's absence of conflict of interest (as per template provided in Appendix 4 to the Expression of Interest);	
1.7.	Applicant and its senior management are not in any situation of exclusion (as per template provided in Appendix 5 to the Expression of Interest);	
1.8.	Ability to communicate in Bulgarian and English;	
1.9.	The Expression of Interest addresses all the items set out in the Project Description (Appendix 2 to Annex 1);	
1.10.	The Expression of Interest addresses all the items of the Financial Instrument, including any special conditions, set out in the relevant parts of the Financial Instrument description (Part I of Annex 2);	
1.11.	Applicant commitment for own investment in the Early Stage Fund with an Acceleration Compartment of at least 2% of the total size.	

3.5.2 The Quality Assessment Criteria

The Qualitative Assessment by the evaluation panel consists of first and second screenings. Eligible applicants will be assessed by the evaluation panel with a view to performing the analysis of each quality assessment Criteria for each application as follows:

2.1.	Project Relevance, Quality and Coherence 2.1.1. Evaluation of the Fund focus and proposed investment strategy, including viability of Fund's size; 2.1.2. Evaluation of the Fund Manager team profile, stability and ability to implement the Financial Instrument; 2.1.3. Assessment of operational, financial, technical and early stage investment and value add competences; 2.1.4. Track record of the Fund Manager team (specifically in angel, seed, start up and venture capital investments and early-stage business development); 2.1.5. Capability as members of boards and/or committees of an investment and/or advisory nature; 2.1.6. Evaluation of Applicant's investment processes, including dealflow generation, ability to invest, ability to build companies and add value and exit strategy;	60 points
2.2.	Project Maturity 2.2.1. Applicant's own investment in the fund; 2.2.2. Demonstration of ability to source deals in Bulgaria and in the Region (SMEs);	20 points
2.3.	Institutional Capacity & Sustainability 2.3.1. Fund Manager organisation, structure and long-term viability; 2.3.2. Assessment of the envisaged application and selection procedures; 2.3.3. Assessment of the investees' advisers / pool of experts' structure to be put in place; 2.3.4. Assessment of the corporate governance in place; 2.3.5. Assessment of legal structures and independence; 2.3.6. Terms and Conditions, including management fee and profit share arrangements; 2.3.7. Assessment of the alignment of interests between the Fund Manager and JHF; 2.3.8. Assessment of Reporting and Control Procedures.	20 points

3.5.3 After the first screening of each application's strengths and weaknesses, the individual scorings are then compiled and the applicants' Expressions of Interest are ranked. The evaluation panel clearly outlines any reasons for going forward or rejecting Expressions of Interest within its internal evaluation documents. The evaluation panel assigns the scores collectively. A rejection letter is sent to each non-selected applicant.

3.5.4 After reaching a consensus on the Qualitative Assessment Criteria, the evaluation panel invites those applicants selected for a second screening. The second screening is conducted in more detail and allows the evaluation panel to meet those applicants, who passed the first screening stage. After the second screening interviews, the applicants will be reassessed again based on the Quality Assessment Criteria, to reflect the additional insight provided by the interviews.

4 THE INQUIRY OF THE EIB-CM

The EIB-CM has reviewed the due diligence by the EIF in relation to the evaluation of the Expression of Interest in question. In the course of its inquiry, the EIB-CM reviewed the complaint and the supporting correspondence between the Complainant and the EIF, the applicable regulatory framework, the Call, the evaluation process and the evaluation performed by the EIF. The EIB-CM liaised with the EIF's operational services in order to obtain further information and clarifications.

5 FINDINGS

5.1 Exchange of correspondence between the EIF and the complainant:

5.1.1 On 26 April 2017, the EIF informed the complainant that ---- application was not retained among the applicants selected for further consideration. The rejection letter specified that: "should you require additional clarifications, in this respect, we invite you to contact EIF on *info.rbd@eif.org* within the next four weeks."

5.1.2 On 3 and 20 May 2017, the complainant sent an email to the EIF expressing --- disappointment with the EIF decision and requested additional information and clarifications regarding the rejection decision. In addition, the complainant requested information regarding the selection of the other applicants.

5.1.3 On 10 May 2017, the EIF acknowledged receipt of --- emails and informed the complainant that ---- request is being process and that ----- will be provided with the reasons of the decision on the complainant's application. On 22 May 2017, the complainant sent an email stating that --- has not received the EIF clarifications and took the view that the process is not transparent. On 22 May 2017, the EIF provided the complainant with a letter listing reason to reject the complainant's application as follows:

- The proposed team, time commitment and overall capabilities were deemed less suitable to the proposed fund size and investment strategy.
- The investment strategy and involvement of the team in the acceleration compartment were considered not to be fully in line with the iwo-compartment structure of the instrument.
- The corporate governance and decision-making process, including the proposal of offering a golden share to EIF, were not considered in line with industry practices and the expectation for independent management of the instrument.

The complainant was informed that *"the overall outcome of the assessment of your expression of interest led to your expression being ranked within the lower group. According to the terms and conditions of the Call, this left EIF no discretion to allocate funding to your proposal"*

The complainant was also informed of ---- right to lodge a complaint should --- find that the reply does not address ---- concerns.

5.2 Evaluation Process

5.2.1 Eligibility Assessment

The call for expression of interest was published on the EIF website on 13 December 2016 with the deadline for submission on 13 March 2017. Following the eligibility assessment made by the EIF on the received 17 Expressions of Interest, the EIF evaluation panel considered all 17 eligible. The Expression of Interest sent by the complainant was considered eligible on this pre-selection stage and advanced to the next stage of the selection process (quality assessment).

5.2.2 Quality Assessment

5.2.2.1 The qualitative assessment is split into: a) a desk review of information (the first screening) and b) an evaluation interview based on additional information/presentation to be provided by a pre-selected applicant (the second screening).

5.2.2.2 From the gathered information, the EIB-CM takes note that the members of the evaluation panel reviewed the Expressions of Interest in line with the Quality Assessment Criteria as presented in the Call and attributed scores to the applications received. Subsequently, a table with the aggregate of the total attributed scores was developed in order to conduct a comparative analysis of the scores. The evaluation and analysis had been formally concluded on 26 April 2017. The attributed score to the complainant's application in relation to the Quality Assessment Criteria is the following:

Table 1. Quality Assessment score (Trakia Venture Partners: 20/100)

Criterion Reference	Attributed score
2.1	9.3
2.2	6.7
2.3	4.0
TOTAL	20

The EIB-CM also noted that at this stage, out of the eligible 17 applicants only three (3) applicants qualified for the second screening. The complainant's application ranked fourteen (14) out of the seventeen (17) applications. The total score of the (3) applicants that qualified them to the second screening was the following:

Table 2. Total score of applicants qualified for the second screening

Applicant	Attributed total score
A	64.3
B	63.0
C	62

5.2.2.3 The evaluation shows that under the first screening related to the Qualitative Assessment of the Innovation Window, the overall score obtained by the complainant's application was not sufficient to qualify to the next screening stage. All applicants who qualified to the next stage scored above 50. As a result, the EIB-CM noted that the score of the complainant's application ranked within the group of applicants that reached low marks in the quality assessment. Therefore, the complainant's application was not retained among the applicants selected for further consideration and consequently on 26 April 2017, the EIF informed the complainant by letter that ---- application was not retained.

5.2.2.4 The EIB-CM noted that, as part of the evaluation process, the panel made observations regarding the weakness of the complainant's application that included the following remarks:

- Very little relevant investment / operational management experience in early stage companies;
- The applications does not present any information on the prospective pipeline and the organization and people to be involved as mentors in the acceleration compartment;
- Very small team of 3 fully dedicated professionals with other part-time committed persons,
- Some indications of persons to be hired but without any details;
- Unclear presence in the country of the core team based on the provided information;
- No acceleration experience of any of the team members;
- No indications of private fundraising;
- Non-standard corporate governance proposed offering golden share to EIF.

5.2.2.5 The EIB-CM communicated the arguments presented by the complainant in its complaint to the EIF. However, it appears that the complainant's arguments regarding the reasons for rejection have not contributed to the change of views regarding the initial qualitative assessment on - application.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 The assessment carried out showed no evidence to substantiate that EIF failed to take appropriate care in ensuring that intermediaries are selected in an open, transparent, proportionate, non-discriminatory and objective manner. The EIB-CM takes the view that the gathered information does not reveal irregularities in the evaluation process of the complainant's application. The inquiry indicates that the selection procedure has been carried out in line with the process established by the published Call and the EIF's standard procedures. The complainant's company scored relatively lower than the shortlisted companies following the first screening of the quality assessment at the pre-selection stage and therefore has been part of the group of applicants who did not qualify for the second phase of the screening.

6.2 With regard to the complainant's request to obtain further details regarding (i) the evaluation, (ii) the attributed score and (iii) the reasons for the rejection of the application, the EIB-CM deemed it appropriate to provide the complainant with further details and information regarding the reasons for rejection and the requested attributed evaluation and rating of the other applicants who qualified to the next stage of the selection. Therefore, the current report provides the complainant with this information in § 5.2.2.2 to § 5.2.2.4 of this Conclusions Report.

6.2 As a result of the reported findings and with a view to maintaining a good administrative behavior within the spirit of article 41 of the EU Charter of Fundamental Rights and article 18 of the European Code of Good Administrative Behavior (mentioned in section 3.2 and 3.3 of this report), the EIB-CM issues the following suggestion:

The EIF should consider providing more detailed and specific explanations to future applicants who expressly request clarification on the reasons for not being retained for further consideration.

6.3 In light of the above considerations, the EIB-CM proceeds to the closing of the file.

EIB Complaints Mechanism
25.06.2018

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